

1987

Beehive Brick Company v. Robinson Brick Company : Reply Brief

Utah Court of Appeals

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BRIEF

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DOCKET NO. 870548-CA
IN THE UTAH COURT OF APPEALS

BEEHIVE BRICK COMPANY, a)
Utah Corporation,)
)
Plaintiff/Appellant,)
)
vs.)
)
ROBINSON BRICK COMPANY,)
a Colorado corporation,)
)
Defendant/Respondent.)

APPEALS COURT NO. 87034 ^{890548-CA}

REPLY BRIEF OF APPELLANT

APPEAL FROM DECISION RENDERED BY
THE THIRD JUDICIAL DISTRICT COURT,
HONORABLE RAYMOND S. UNO, PRESIDING

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FILED

APR 11 1988

Timothy M. Shea
Clerk of the Court
Utah Court of Appeals

IN THE UTAH COURT OF APPEALS

BEEHIVE BRICK COMPANY, a)	
Utah Corporation,)	
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NATURE OF APPEAL

This is an appeal from a decision of the Third Judicial District Court, Honorable Raymond Uno presiding, granting Summary Judgment as to all causes of action in plaintiff's Complaint.

SUMMARY OF ARGUMENTS

1. Beehive contends that the District Court erred in granting Summary Judgment relating to the contract for the purchase of one million brick due to the existence of substantial questions of fact relating to the existence of the contract, as well as substantial questions of law relating to the compliance with the requirements of the Statute of Frauds.

2. Beehive complied with the requirements of the Statute of Frauds in relation to its distributorship arrangement with Robinson and, as such, the District Court erred in granting Summary Judgment.

3. The District Court erred in granting summary judgment as to Beehive's Third Cause of Action due to the existence of questions of fact regarding Robinson's attempts to interfere with contracts of Beehive.

4. Beehive conferred substantial benefit upon Robinson by serving as a distributor at a time when Robinson had no other distributor in the Salt Lake area. Beehive accepted the temporary distributorship with the understanding that they would be granted a permanent distributorship if they could adequately represent

the products of Robinson. Beehive should be fairly compensated for the benefit which they conferred upon Robinson.

ARGUMENT I

SUBSTANTIAL QUESTIONS OF FACT AND LAW SHOULD HAVE PRECLUDED THE GRANTING OF SUMMARY JUDGMENT RELATIVE TO THE ONE MILLION BRICK ORDER

In granting summary judgment, a court must establish whether all material facts are uncontested. In the event that material facts are contested, the court must view the facts in a light most favorable to the party opposing the motion. Helgar Ranch v. Stillman, 619 P.2d 1390 (Utah 1980).

In order to determine the relevant facts, the courts have established rules whereby parties may submit facts to the court for consideration. Rule 3(g) of the Local Rules of Practice for the Third District Courts requires that each memorandum in support of summary judgment include a statement of "material facts" supported by references to the record. Rule 3(h) of the Local Rules of Practice for the Third District Courts establishes a similar requirement for the memorandum of opposing parties.

In its opening brief, Beehive pointed out several instances where Robinson failed to support its "undisputed facts" with accurate citations to the record (Appellant's Brief at 10-22). In its Memorandum in Support, Robinson claims facts which were not supported by the record (Record at 38-43) and, as such, these facts should not have been considered to be uncontested by the District Court. Robinson's failure to support its "undisputed

facts" with proper citations is even more important in this case because the District Court was unable to verify the facts by checking the citations submitted by Robinson. Most of the "undisputed facts" submitted by Robinson in its Memorandum were supported by citations to depositions which were never published and which were not filed with the court until approximately 13 days after the Summary Judgment was granted.

Beehive's Memorandum in Opposition to Summary Judgment also raises several questions of fact relative to the issues of offer, acceptance, confirmation and performance of the contractual agreements of the parties (Record at 63). These factual differences are discussed in detail in Appellant's opening Brief.

Robinson does not, however, address any of these questions of fact. Instead Robinson chooses to dismiss the factual questions by claiming that issues of offer, acceptance, confirmation and performance are questions of law, not fact. Robinson seems to be practicing the old legal maxim:

When the law is against you, argue the facts
When the facts are against you, argue the law.

While issues such as offer, acceptance, confirmation and performance do involve substantial issues of law, these issues cannot be viewed in a vacuum. They can only be properly decided when applied to the facts of the particular case.

Because Robinson has chosen not to argue the factual discrepancies presented in Beehive's brief, it is assumed that Robinson concedes that questions of fact did exist. As such, no further discussion will be presented in this reply brief.

With regard to the issues of law, Robinson states in its brief that in order for contracts to be enforceable, there must be (1) an oral agreement and (2) a writing or confirming memorandum of the oral agreement (Respondent's Brief at 10). Robinson supports this argument by citing to Section 70A-2-201 Utah Code Annotated (1987). Beehive draws the court's attention to three issues relevant to this argument. First, Section 70A-2-201 does not require that there exist an oral agreement between parties. Neither the language of the statute nor the official comments to Section 2-201 of the Uniform Commercial Code require the existence of an oral agreement.

Second, even if we assume that an oral agreement is required, Robinson has failed to indicate that an oral agreement was not made. Robinson asserts that the oral agreement was not complete because this agreement was contingent upon Robinson's ability to make a brick of the right color and texture. Robinson supports this statement with a citation to Record 94 at 73-75 (Deposition of Monte Jones). This citation to this record does not support Robinson's claim. Appellant is unable to find any place in pages 73-75 which indicate that the order was conditioned upon Robinson's making the right color. In fact, lines 1-3 of page 75 indicate that Robinson's employee knew that at least some of the order would be filled with substitutions (Record 94 at p. 75).

Third, the alleged conditional acceptance of Robinson was not raised as the defense in Robinson's answer, nor was it raised

as a material fact in Robinson's Motion for Summary Judgment. Accordingly, the so-called conditional acceptance issue is irrelevant for purposes of this review, and only serves to cloud the issues presented on appeal.

Robinson's brief also states that all of the test runs were unsatisfactory (Respondent's Brief at 10). As noted in Beehive's opening brief, Robinson's citation to the record in support of this claim does not indicate that the bricks were completely unsatisfactory. It is undisputed that both parties expressed a desire for the brick to improve, if possible, but in general the test runs were accepted and used by Beehive and its customer (Record 95 at 111-116). Appellant finds it curious that Robinson does not address this issue in its brief, but chooses only to parrot this same misleading statement.

In addition, the issue of acceptance or rejection was raised as a disputed question of fact in Beehive Memorandum in Opposition to Summary Judgment (Record at 63) and, as such, should have been resolved in Beehive's favor.

Robinson further contends that the agreement was not confirmed in writing. Robinson mistakenly argues that Beehive intended to "confirm" the oral agreement by sending a purchase order. This contention is incorrect. Beehive has not and does not claim that the purchase order acts as a confirming memorandum. Robinson next asserts that the letter of April 17, 1986 cannot be construed to be a confirming memorandum since it "does not indicate that a contract had been made between the

parties" and that "the letter stated that the order for special color of bricks could not be fulfilled" (Respondent's Brief at page 12). Once again, Robinson attempts to mislead the court. The letter of April 17, 1986 (Addendum) states clearly in two different places that the order had been received and that it would be filled. Paragraph 5 indicates that the special color could not be produced, but that Robinson would allow substitutions in color. The next paragraph indicates that Robinson would be willing to fulfill all existing orders and then specifically listed the Emerson Larkin order of one million provincial antique brick as an existing order. This letter certainly raises a question of fact as to whether or not an order was received and accepted by Robinson, and whether or not Robinson breached the agreement by failing to provide the brick as promised.

Finally, Robinson addresses Beehive's argument relative to Section 70A-2-206. In its opening brief, Beehive contended that under this section of the code, a merchant could be held to have accepted an offer if he either shipped or promised to ship conforming or nonconforming goods. Assuming for a moment that Beehive has not complied with the requirements of the Statute of Frauds, this rule constitutes an exception to the statute based upon performance. The shipments of goods or the promise to ship goods by its terms suggests the existence of a contract since people rarely ship goods without having a commercial reason to do so. Robinson either misunderstands or ignores Section 70A-2-206

by contending that the statute of frauds is not qualified by other code provisions. This argument is made without any substantiation or authority. The official comments to Section 2-201 of the Uniform Commercial Code do not support Robinson's claim that the Statute of Frauds operates independently of other sections of the Code. On the other hand, the official comments to Section 2-206 of the Uniform Commercial Code indicate just the opposite by stating:

"The beginning of performance by an offeree can be effective as acceptance so as to bind the offeror only if followed within a reasonable time by notice to the offeror."

It stands to reason that if performance constitutes a contract capable of binding an offeror, it certainly should create a contract capable of binding the offeree as well.

Beehive acknowledges that the part performance clause of the Statute of Frauds as set forth in Section 70A-2-201 Utah Code Annotated (1987) is limited to that portion of a contract which is, in fact performed. However, partial performance can also create an acceptance of an offer under Section 70A-2-206 as indicated by the official comments set forth above.

ARGUMENT II

SUBSTANTIAL ISSUES OF FACT EXIST
WHICH SHOULD HAVE PRECLUDED THE
GRANTING OF SUMMARY JUDGMENT
RELATIVE TO THE ISSUE OF BEEHIVE'S
DISTRIBUTORSHIP AGREEMENT WITH ROBINSON

In its opening brief, Robinson indicates that distributorship agreements for the sale of goods is governed by

Article 2 of Utah's Uniform Commercial Code, and that in order for a memorandum to be binding, it must indicate that a contract for sale "has been made" as indicated in Robinson's brief (Respondent's Brief at page 15). Beehive acknowledges these arguments and agrees with these principles of law. However, Beehive has repeatedly contended that the July 22, 1985 and the April 17, 1986 letters serve as sufficient memoranda to support the existence of a distributorship. Robinson does not dispute Beehive's contention that some type of distributorship agreement had been made (Respondent's Brief at page 16). The only question that remains, therefore, is what the terms and conditions of that agreement or agreements were. Robinson argues that the distributorship arrangement was, in effect, two separate agreements: One for a temporary distributorship and the other for a permanent distributorship. Robinson further contends that while they did enter into the temporary distributorship that the permanent distributorship arrangement was never entered into by the parties. This contention ignores certain evidence which was presented by Beehive in their Memorandum in Opposition to Summary Judgment (Record at 64). In Beehive's Statement of Additional and Disputed Facts, it states that the temporary distributorship was to be converted to a permanent distributorship if Beehive was able to outperform its competitor, Interstate Brick, and as such, disputes the "two contract" theory of Robinson. Beehive supports this claim by referring to the Deposition of Randall Browning at page 75, where we find the following dialogue:

Q: What did Dee Young tell you, if anything, about the terms under which you would be able to sell Robinson Brick products?

A. I was told that we were going to be able to sell the brick, Robinson Products. That Interstate was going to be able to sell the brick and that we were more or less in a horse race to see who sold the most to see who would end up with the exclusive distributorship. It was our understanding Robinson's policy was not to have a split distributorship but to have one exclusive distributor, so we went to work and just did what we could, promotion wise, to promote the brick and to do the best job we could.

(Record 96, at page 75.)

Continued on in this deposition, we find the following dialogue:

Q. As of the Spring of 1985, you knew that you were being granted a temporary distributorship; is that correct?

A. I don't know that we considered it temporary at that time.

Q. Well you knew that at some point down the road Robinson Brick was going to appoint an exclusive distributor.

A. And we were given the understanding that if we outperformed our competition that the distributor would be us.

Q. But you are also aware it was possible it would not be you.

A. If we did not outperform them sales wise, that would be correct.

Q. You knew it may be somebody besides yourself; is that right?

A. Based on performance, that's correct.

(Record 96 at pages 75-76.)

This testimony clearly supports Beehive's contention that a single distributorship was contemplated and that it would be terminated only if Beehive failed to sell more goods than Interstate Brick. Although Robinson contends that the distributorships were two separate agreements, if we view the facts in a light most favorable to Beehive, it must be concluded that the distributorship arrangement was not two separate agreements but was one agreement subject only to certain conditions of performance. As a result, the District Court erred by either failing to view the disputed facts in a light most favorable to Beehive or, in the alternative, in failing to correctly apply the law to these facts.

ARGUMENT III

THE TRIAL COURT ERRED IN HOLDING THAT ROBINSON DID NOT INTERFERE WITH BEEHIVE'S ABILITY TO PERFORM ITS CONTRACTS

In its opening brief, Beehive argued that representatives from Interstate Brick Company, acting as agents for Robinson,

contacted Emerson Larkin in an attempt to fill the one million brick order previously submitted by Emerson Larkin through Beehive. It is undisputed by Robinson that Emerson Larkin had placed an order with Beehive for one million brick. In spite of this fact, however, Robinson continues to claim that this contention was not supported by the record. Beehive refers the court to its Memorandum in Opposition to Motion for Summary Judgment where it contended that clients were contacted by representatives of Robinson in an attempt to fill the one million brick order (Record at 64). Beehive supported its position by referring to the Deposition of Randall Browning (Record 96 at 118). As noted in Beehive's opening brief, Mr. Browning testified that Emerson Larkin, a customer of Beehive Brick, had in fact been contacted by Interstate Brick in an attempt to persuade Mr. Larkin to cancel his order with Beehive Brick. Robinson seems to argue that because Randy Browning did not have any personal knowledge of communications between Robinson and Interstate Brick that Robinson would not be responsible for the activities of its new distributor. However, this argument was not raised in the Motion for Summary Judgment and, as such, is not appropriate for this appeal.

Furthermore, Robinson does not deny that Interstate contacted Emerson Larkin in an attempt to complete the million brick order. Certainly Robinson would be responsible for the acts of its agents and that the activities of Interstate Brick certainly would constitute an attempt to interfere with the

contractual relationship that existed between Emerson Larkin and Beehive Brick. Accordingly, it appears that there was at least some question as to whether or not Robinson would be responsible for the attempted interference with the contractual relationship between Beehive and Emerson Larkin, and that the court improperly granted summary judgment as to this issue.

ARGUMENT IV

THE COURT ERRED IN FINDING THAT BEEHIVE HAD NOT PROVIDED GOODS AND SERVICES TO DEFENDANT

In Beehive's opening brief, it is argued that Beehive provided goods and services to Robinson by maintaining a dealership agreement for approximately one year. In so acting as a distributorship, Beehive maintained a market position for Robinson's products and thereby conferred a benefit. Beehive recognizes that the record is somewhat sparse as to the nature and scope of these benefits; however, it should be noted that the record is equally sparse as to statements which would support Robinson's contention that no goods and services were provided. Accordingly, the trial court erred in granting summary judgment when the record did not support this conclusion.

ARGUMENT V

ROBINSON IS NOT ENTITLED TO ATTORNEY'S FEES. BEEHIVE SHOULD BE AWARDED ITS ATTORNEY'S FEES.


In its opening brief, Robinson requests attorney's fees incurred in responding to this appeal. Specifically, Robinson

suggests that Beehive's appeal is frivolous, having no reasonable legal or factual basis. Beehive contends that it has acted in good faith in submitting this appeal and, as such, Robinson should not be awarded attorney's fees. To the contrary, Beehive contends that it should be awarded costs and attorney's fees as a result of Robinson's failure to address Beehive's primary contention regarding questions of fact which exist relative to Beehive's First Cause of Action.

CONCLUSION

The District Court incorrectly granted Robinson's Motion for Summary Judgment. The judgment of the District Court should be reversed and a trial awarded on the issues raised in Beehive's Complaint. Beehive should be awarded costs and/or attorney's fees incurred in presenting this appeal.

DATED this 11 day of April, 1988.



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Salt Lake City, Utah 84106
Telephone: 278-7755

CERTIFICATE OF HAND DELIVERY

I certify that I caused a true and correct copy of the foregoing REPLY BRIEF OF APPELLANT to be hand delivered this 11 day of April, 1988, to the following:

Allan L. Sullivan
Kathryn H. Snedaker
50 South Main, Suite 1600
P.O. Box 45340
Salt Lake City, UT 84145

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ADDENDUM

RULES OF PRACTICE IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF UTAH

The following local rules of the Third Judicial District Court modify and supplement the Rules of Practice in the District Courts and Circuit Courts of the State of Utah promulgated on June 30, 1983, and rescind the local rules of the Third Judicial District Court effective April 1, 1984. These rules are effective as of June 1, 1987.

Rule 1 Assignment of cases in Salt Lake County
Rule 2 Assignment of cases in Tooele and Summit Counties

Rule 3 Law and motion calendar
Rule 4 Limitation on discovery and motions
Rule 5 Written orders, judgments and decrees
Rule 6 Pretrial calendar
Rule 7 Motions for supplemental proceedings
Rule 8 Domestic Relations Commissioner
Rule 9 Modifications of divorce decrees
Rule 10 Probate
Rule 11 Adoptions
Rule 12 Continuances in cases involving minors
Rule 13 Motions to consolidate
Rule 14 Related cases pending in Juvenile Court
Rule 15 Certification of District Court Cases to Juvenile Court

Rule 1 Assignment of cases in Salt Lake County.

(a) All civil, criminal and domestic relations cases filed in Salt Lake County shall be assigned on a random basis at the time of filing to an individual judge who will hear all matters in the assigned case.

(b) Name of judge on pleadings. Any pleading filed in a criminal or civil case after the case has been assigned to a judge must have the name of the judge who has been assigned to the case on the face of the pleading below the number of the case.

(c) Ex parte and emergency matters. When the judge assigned to a case is unavailable to consider ex parte and emergency matters for a period exceeding one work day the absent judge's clerk will inform counsel of a judge authorized to handle such matters. Other judges will not consider proposed orders on cases not assigned to them, except upon a showing of exceptional circumstances which in the interest of justice require immediate action.

(d) Spouse Abuse Act orders. Stipulated or default orders pursuant to the Spouse Abuse Act which are a result of a hearing before the Domestic Relations Commissioner may be presented to any judge for signature.

Rule 2 Assignment of cases in Tooele and Summit Counties

(a) A judge will be assigned for six month terms to Tooele and Summit Counties, during which time he or she will hear all matters in those counties, except cases individually assigned, as provided in part (b) of this rule. At the end of the six month term, the newly assigned judge will assume all ongoing matters in those counties.

(b) Upon motion of either party, the presiding judge may assign cases of unusual complexity to an individual judge who will hear all matters on the assigned case.

Rule 3 Law and motion calendar

Rules 2.7 and 2.8 of the Rules of Practice in the District Courts of the State of Utah shall not apply to motions filed in the Third Judicial District Court.

(a) All law and motion matters will be heard by the judge assigned to the case. These matters will be set on a regular law and motion calendar as arranged with the clerk of the judge assigned to the case. Ex parte matters based upon stipulation will be presented only to the judge assigned to the case.

(b) Counsel shall contact the court and receive a date for hearing on the regular law and motion calendar, or may file a written request that the matter be resolved without hearing based upon the briefs submitted.

(c) Orders to show cause and other matters requiring written notice will be heard only after written notice, which shall be served not less than five (5) days prior to the date specified in the notice for hearing, unless the court for good cause shown shall by order shorten the time for notice of hearing.

(d) Motions based upon depositions or supported thereby shall not be heard unless the depositions are filed in the clerk's office at least forty-eight (48) hours before the hearing on the said motion.

(e) Affidavits not filed within the time required by the Utah Rules of Civil Procedure shall not be received, except on stipulation of the parties or for good cause shown. Courtesy copies of all affidavits shall be given to the judge within the time limits required by the Utah Rules of Civil Procedure, and shall indicate the date upon which the matter is set for hearing. Such copy shall be clearly marked as a courtesy copy, and shall not be filed with the clerk of the court.

(f) All motions except uncontested or ex parte matters may be accompanied by a brief statement of points and authorities, and any affidavits relied upon in support thereof. Points and authorities supporting or opposing a motion shall not exceed five (5) pages in length, exclusive of the statement of material facts as hereinafter provided, except as waived by order of the court on ex parte application.

(g) The points and authorities in support of a dispositive motion shall begin with a section that contains a concise statement of material facts as to which the movant contends no genuine issue exists. The facts shall be stated in separate numbered sentences, and shall refer with particularity to those portions of the record upon which the movant relies.

(h) The points and authorities in opposition to a dispositive motion shall begin with a section that contains a concise statement of material facts as to which the party contends a genuine issue exists. Each fact in dispute shall be stated in separate numbered sentences, and shall refer with particularity to those portions of the record upon which the opposing party relies and, if applicable, shall state the numbered sentence or sentences of the movant's facts that are disputed. All material facts set forth in the statement of the movant shall be deemed admitted for the purpose of summary judgment, unless specifically controverted by the statement of the opposing party.

(i) If a memorandum of points and authorities is filed in support of a motion it must be served on the opposing party or his counsel and filed with the court no later than ten (10) days before the date set for hearing. If a responsive memorandum is filed it shall be served upon the opposing party or counsel.

Official Comment

Prior Uniform Statutory Provision: Section 4, Uniform Sales Act (which was based on Section 17 of the Statute of 29 Charles II).

Changes: Completely re-phrased; restricted to sale of goods. See also Sections 1—206, 8—319 and 9—203.

Purposes of Changes: The changed phraseology of this section is intended to make it clear that:

1. The required writing need not contain all the material terms of the contract and such material terms as are stated need not be precisely stated. All that is required is that the writing afford a basis for believing that the offered oral evidence rests on a real transaction. It may be written in lead pencil on a scratch pad. It need not indicate which party is the buyer and which the seller. The only term which must appear is the quantity term which need not be accurately stated but recovery is limited to the amount stated. The price, time and place of payment or delivery, the general quality of the goods, or any particular warranties may all be omitted.

Special emphasis must be placed on the permissibility of omitting the price term in view of the insistence of some courts on the express inclusion of this term

even where the parties have contracted on the basis of a published price list. In many valid contracts for sale the parties do not mention the price in express terms, the buyer being bound to pay and the seller to accept a reasonable price which the trier of the fact may well be trusted to determine. Again, frequently the price is not mentioned since the parties have based their agreement on a price list or catalogue known to both of them and this list serves as an efficient safeguard against perjury. Finally, "market" prices and valuations that are current in the vicinity constitute a similar check. Thus if the price is not stated in the memorandum it can normally be supplied without danger of fraud. Of course if the "price" consists of goods rather than money the quantity of goods must be stated.

Only three definite and invariable requirements as to the memorandum are made by this subsection. First, it must evidence a contract for the sale of goods; second, it must be "signed", a word which includes any authentication which identifies the party to be charged; and third, it must specify a quantity.

2. "Partial performance" as a substitute for the required memorandum can validate the contract only for the goods which have been accepted or for which pay-

§2-201
U.C.C.

Official Comment

Prior Uniform Statutory Provision: Sections 1 and 3, Uniform Sales Act.

Changes: Completely rewritten in this and other sections of this Article.

Purposes of Changes: To make it clear that:

1. Any reasonable manner of acceptance is intended to be regarded as available unless the offeror has made quite clear that it will not be acceptable. Former technical rules as to acceptance, such as requiring that telegraphic offers be accepted by telegraphed acceptance, etc., are rejected and a criterion that the acceptance be "in any manner and by any medium reasonable under the circumstances," is substituted. This section is intended to remain flexible and its applicability to be enlarged as new media of communication develop or as the more time-saving present day media come into general use.

2. Either shipment or a prompt promise to ship is made a proper means of acceptance of an offer looking to current shipment. In accordance with ordinary commercial understanding the section interprets an order looking to current shipment as allowing acceptance either by ac-

tual shipment or by a prompt promise to ship and rejects the artificial theory that only a single mode of acceptance is normally envisaged by an offer. This is true even though the language of the offer happens to be "ship at once" or the like. "Shipment" is here used in the same sense as in Section 2-504; it does not include the beginning of delivery by the seller's own truck or by messenger. But loading on the seller's own truck might be a beginning of performance under subsection (2).

3. The beginning of performance by an offeree can be effective as acceptance so as to bind the offeror only if followed within a reasonable time by notice to the offeror. Such a beginning of performance must unambiguously express the offeree's intention to engage himself. For the protection of both parties it is essential that notice follow in due course to constitute acceptance. Nothing in this section however bars the possibility that under the common law performance begun may have an intermediate effect of temporarily barring revocation of the offer, or at the offeror's option, final effect in constituting acceptance.

2-206
U.C.C.



April 17, 1986

Mr. Randy Browning
Beehive Brick
244 South 500 West
Salt Lake City, UT 84101

Dear Randy:

Thank you for the very cordial meeting we had on Tuesday. I'm disappointed that the distributor relationship must be broken entirely at this time.

I think that it is important to put down in writing what we discussed as far as clearing out existing orders.

1. All existing orders must be picked up on or before May 16, 1986. (After this date, all existing orders will be cancelled.)
2. No new orders are to be accepted by Robinson Brick Co.
3. Existing orders may not be increased.
4. The existing credit limitations, as established by Jim Harris of Robinson Brick Company, remain in effect.
5. The existing order of 1,000,000 Provincial Antique (special color) for Emerson Larkin cannot be produced. We will allow substitutions with the following: Dover Gray, Heritage Antique, Provincial Antique and Provincial Antique Special Lot.

The following is a current list of open orders we are willing to fill, provided inventory is available:

<u>ROBCO #</u>	<u>BRICK NAME</u>	<u>REMAINING ON ORDER</u>
26917	Buckwheat	2,000
19165	Dover Gray KS	1,938
27092	Mission Autumn Gold	18,000
31030	Rustic Buff Sp. Lot.	500
27006	Colonial Grain	100
26919	Provincial Antique	16,000

Mr. Randy Browning
Beehive Brick
April 17, 1986
Page 2

<u>ROBCO #</u>	<u>BRICK NAME</u>	<u>REMAINING ON ORDER</u>
26446	Provincial Antique	20,000
31450	Stoneybrook	9,500
31448	Provincial Antique	15,000
26446	Mis. Aut. Gold-C/B	25,000
26446	Mission Aut. Gold	17,000
23525	Provincial Antique	11,000
28466	Heritage Antique	1,500

Emerson Larkin Order

040496 Provincial Antique 1,000,000
 (Dover Gray, Prov. Antiq., Hert. Antiq.)

Sincerely,

ROBINSON BRICK COMPANY

Monte Jones

Monte S. Jones, Manager
Distributor Sales Division

MSJ:SAL